

1-1 By: Williams S.B. No. 623
1-2 (In the Senate - Filed February 18, 2013; February 25, 2013,
1-3 read first time and referred to Committee on Intergovernmental
1-4 Relations; April 2, 2013, reported favorably by the following
1-5 vote: Yeas 5, Nays 0; April 2, 2013, sent to printer.)

1-6 COMMITTEE VOTE

| | Yea | Nay | Absent | PNV |
|------|-----------------|-----|--------|-----|
| 1-7 | | | | |
| 1-8 | <u>Hinojosa</u> | X | | |
| 1-9 | <u>Nichols</u> | X | | |
| 1-10 | <u>Garcia</u> | X | | |
| 1-11 | <u>Paxton</u> | X | | |
| 1-12 | <u>Taylor</u> | X | | |

1-13 A BILL TO BE ENTITLED
1-14 AN ACT

1-15 relating to the creation of the Montgomery County Municipal Utility
1-16 District No. 138; granting a limited power of eminent domain;
1-17 providing authority to issue bonds; providing authority to impose
1-18 assessments, fees, and taxes.

1-19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-20 SECTION 1. Subtitle F, Title 6, Special District Local Laws
1-21 Code, is amended by adding Chapter 8422 to read as follows:

1-22 CHAPTER 8422. MONTGOMERY COUNTY MUNICIPAL UTILITY DISTRICT NO. 138

1-23 SUBCHAPTER A. GENERAL PROVISIONS

1-24 Sec. 8422.001. DEFINITIONS. In this chapter:

1-25 (1) "Board" means the district's board of directors.

1-26 (2) "Commission" means the Texas Commission on
1-27 Environmental Quality.

1-28 (3) "Director" means a board member.

1-29 (4) "District" means the Montgomery County Municipal
1-30 Utility District No. 138.

1-31 Sec. 8422.002. NATURE OF DISTRICT. The district is a
1-32 municipal utility district created under Section 59, Article XVI,
1-33 Texas Constitution.

1-34 Sec. 8422.003. CONFIRMATION AND DIRECTORS' ELECTION
1-35 REQUIRED. The temporary directors shall hold an election to
1-36 confirm the creation of the district and to elect five permanent
1-37 directors as provided by Section 49.102, Water Code.

1-38 Sec. 8422.004. CONSENT OF MUNICIPALITY REQUIRED. The
1-39 temporary directors may not hold an election under Section 8422.003
1-40 until each municipality in whose corporate limits or
1-41 extraterritorial jurisdiction the district is located has
1-42 consented by ordinance or resolution to the creation of the
1-43 district and to the inclusion of land in the district.

1-44 Sec. 8422.005. FINDINGS OF PUBLIC PURPOSE AND BENEFIT.

1-45 (a) The district is created to serve a public purpose and benefit.

1-46 (b) The district is created to accomplish the purposes of:

1-47 (1) a municipal utility district as provided by
1-48 general law and Section 59, Article XVI, Texas Constitution; and

1-49 (2) Section 52, Article III, Texas Constitution, that
1-50 relate to the construction, acquisition, improvement, operation,
1-51 or maintenance of macadamized, graveled, or paved roads, or
1-52 improvements, including storm drainage, in aid of those roads.

1-53 Sec. 8422.006. INITIAL DISTRICT TERRITORY. (a) The
1-54 district is initially composed of the territory described by
1-55 Section 2 of the Act enacting this chapter.

1-56 (b) The boundaries and field notes contained in Section 2 of
1-57 the Act enacting this chapter form a closure. A mistake made in the
1-58 field notes or in copying the field notes in the legislative process
1-59 does not affect the district's:

1-60 (1) organization, existence, or validity;

1-61 (2) right to issue any type of bond for the purposes

2-1 for which the district is created or to pay the principal of and
 2-2 interest on a bond;

2-3 (3) right to impose a tax; or

2-4 (4) legality or operation.

2-5 SUBCHAPTER B. BOARD OF DIRECTORS

2-6 Sec. 8422.051. GOVERNING BODY; TERMS. (a) The district is
 2-7 governed by a board of five elected directors.

2-8 (b) Except as provided by Section 8422.052, directors serve
 2-9 staggered four-year terms.

2-10 Sec. 8422.052. TEMPORARY DIRECTORS. (a) On or after the
 2-11 effective date of the Act enacting this chapter, the owner or owners
 2-12 of a majority of the assessed value of the real property in the
 2-13 district may submit a petition to the commission requesting that
 2-14 the commission appoint as temporary directors the five persons
 2-15 named in the petition. The commission shall appoint as temporary
 2-16 directors the five persons named in the petition.

2-17 (b) Temporary directors serve until the earlier of:

2-18 (1) the date permanent directors are elected under
 2-19 Section 8422.003; or

2-20 (2) the fourth anniversary of the effective date of
 2-21 the Act enacting this chapter.

2-22 (c) If permanent directors have not been elected under
 2-23 Section 8422.003 and the terms of the temporary directors have
 2-24 expired, successor temporary directors shall be appointed or
 2-25 reappointed as provided by Subsection (d) to serve terms that
 2-26 expire on the earlier of:

2-27 (1) the date permanent directors are elected under
 2-28 Section 8422.003; or

2-29 (2) the fourth anniversary of the date of the
 2-30 appointment or reappointment.

2-31 (d) If Subsection (c) applies, the owner or owners of a
 2-32 majority of the assessed value of the real property in the district
 2-33 may submit a petition to the commission requesting that the
 2-34 commission appoint as successor temporary directors the five
 2-35 persons named in the petition. The commission shall appoint as
 2-36 successor temporary directors the five persons named in the
 2-37 petition.

2-38 SUBCHAPTER C. POWERS AND DUTIES

2-39 Sec. 8422.101. GENERAL POWERS AND DUTIES. The district has
 2-40 the powers and duties necessary to accomplish the purposes for
 2-41 which the district is created.

2-42 Sec. 8422.102. MUNICIPAL UTILITY DISTRICT POWERS AND
 2-43 DUTIES. The district has the powers and duties provided by the
 2-44 general law of this state, including Chapters 49 and 54, Water Code,
 2-45 applicable to municipal utility districts created under Section 59,
 2-46 Article XVI, Texas Constitution.

2-47 Sec. 8422.103. AUTHORITY FOR ROAD PROJECTS. Under Section
 2-48 52, Article III, Texas Constitution, the district may design,
 2-49 acquire, construct, finance, issue bonds for, improve, operate,
 2-50 maintain, and convey to this state, a county, or a municipality for
 2-51 operation and maintenance macadamized, graveled, or paved roads, or
 2-52 improvements, including storm drainage, in aid of those roads.

2-53 Sec. 8422.104. ROAD STANDARDS AND REQUIREMENTS. (a) A
 2-54 road project must meet all applicable construction standards,
 2-55 zoning and subdivision requirements, and regulations of each
 2-56 municipality in whose corporate limits or extraterritorial
 2-57 jurisdiction the road project is located.

2-58 (b) If a road project is not located in the corporate limits
 2-59 or extraterritorial jurisdiction of a municipality, the road
 2-60 project must meet all applicable construction standards, zoning and
 2-61 subdivision requirements, and regulations of each county in which
 2-62 the road project is located.

2-63 (c) If the state will maintain and operate the road, the
 2-64 Texas Transportation Commission must approve the plans and
 2-65 specifications of the road project.

2-66 Sec. 8422.105. COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE
 2-67 OR RESOLUTION. The district shall comply with all applicable
 2-68 requirements of any ordinance or resolution that is adopted under
 2-69 Section 54.016 or 54.0165, Water Code, and that consents to the

3-1 creation of the district or to the inclusion of land in the
 3-2 district.

3-3 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

3-4 Sec. 8422.151. ELECTIONS REGARDING TAXES OR BONDS. (a)

3-5 The district may issue, without an election, bonds and other
 3-6 obligations secured by:

3-7 (1) revenue other than ad valorem taxes; or

3-8 (2) contract payments described by Section 8422.153.

3-9 (b) The district must hold an election in the manner
 3-10 provided by Chapters 49 and 54, Water Code, to obtain voter approval
 3-11 before the district may impose an ad valorem tax or issue bonds
 3-12 payable from ad valorem taxes.

3-13 (c) The district may not issue bonds payable from ad valorem
 3-14 taxes to finance a road project unless the issuance is approved by a
 3-15 vote of a two-thirds majority of the district voters voting at an
 3-16 election held for that purpose.

3-17 Sec. 8422.152. OPERATION AND MAINTENANCE TAX. (a) If
 3-18 authorized at an election held under Section 8422.151, the district
 3-19 may impose an operation and maintenance tax on taxable property in
 3-20 the district in accordance with Section 49.107, Water Code.

3-21 (b) The board shall determine the tax rate. The rate may not
 3-22 exceed the rate approved at the election.

3-23 Sec. 8422.153. CONTRACT TAXES. (a) In accordance with
 3-24 Section 49.108, Water Code, the district may impose a tax other than
 3-25 an operation and maintenance tax and use the revenue derived from
 3-26 the tax to make payments under a contract after the provisions of
 3-27 the contract have been approved by a majority of the district voters
 3-28 voting at an election held for that purpose.

3-29 (b) A contract approved by the district voters may contain a
 3-30 provision stating that the contract may be modified or amended by
 3-31 the board without further voter approval.

3-32 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

3-33 Sec. 8422.201. AUTHORITY TO ISSUE BONDS AND OTHER
 3-34 OBLIGATIONS. The district may issue bonds or other obligations
 3-35 payable wholly or partly from ad valorem taxes, impact fees,
 3-36 revenue, contract payments, grants, or other district money, or any
 3-37 combination of those sources, to pay for any authorized district
 3-38 purpose.

3-39 Sec. 8422.202. TAXES FOR BONDS. At the time the district
 3-40 issues bonds payable wholly or partly from ad valorem taxes, the
 3-41 board shall provide for the annual imposition of a continuing
 3-42 direct ad valorem tax, without limit as to rate or amount, while all
 3-43 or part of the bonds are outstanding as required and in the manner
 3-44 provided by Sections 54.601 and 54.602, Water Code.

3-45 Sec. 8422.203. BONDS FOR ROAD PROJECTS. At the time of
 3-46 issuance, the total principal amount of bonds or other obligations
 3-47 issued or incurred to finance road projects and payable from ad
 3-48 valorem taxes may not exceed one-fourth of the assessed value of the
 3-49 real property in the district.

3-50 SECTION 2. The Montgomery County Municipal Utility District
 3-51 No. 138 initially includes all the territory contained in the
 3-52 following area:

3-53 TRACT 1

3-54 Being all that certain tract or parcel of land containing
 3-55 60.2044 acres of land situated in the Henry Applewhite Survey,
 3-56 A-50, Conroe, Montgomery County, Texas, out of and a part of a
 3-57 Called 120 acre tract described in Volume 188, Page 416, MCDR, said
 3-58 60.2044 acres being more particularly described by metes and bounds
 3-59 as follows, to wit:

3-60 BEGINNING at an Axle found for the Southeast corner of a
 3-61 certain 35.213 acres of land cited Tract III conveyed by partition
 3-62 deed to James W. Peoples, et ux described and recorded under
 3-63 Clerk's File No. 9307782 of the Official Public Records of Real
 3-64 Property of Montgomery County, Texas (OPRRPMCT), same 35.213 acres
 3-65 out of and a part of a Called 120 acre tract conveyed in deed to
 3-66 Surcy Peoples, et al described and recorded in Volume 188, Page 416
 3-67 of Montgomery County Deed Records (MCDR) said 120 acre South line
 3-68 located on the recognized Abstract division line between the Henry
 3-69 Applewhite Survey, A-50 and the Daniel F. Whillden Survey, A-640,

4-1 same Axle recognized by local surveyors as the Southeast corner of
 4-2 the Applewhite Survey and the Northeast corner of said Whillden
 4-3 Survey and the Northeast corner of a certain 15.950 acre parcel
 4-4 conveyed to Marcus Koenig *et al* described and recorded under
 4-5 C.F. No. 2001-096958, OPRRPMCT, the Northwest corner of The
 4-6 Woodlands Windsor Lakes Section 5, subdivision map or plat thereof
 4-7 recorded in Cabinet 'U', Sheet 19 of Montgomery County Map Records
 4-8 (MCMR), the Southwest corner of the Residue of a 56.9509 acre parcel
 4-9 described in deed to John D. Hagerman *et al* recorded under
 4-10 C.F. No. 2002-051022 and from whence a 1/2" iron rod found under
 4-11 asphalt pavement along Peoples Road, for the Southwest corner of
 4-12 said Called 120 acres and the Southwest corner of a certain 31.108
 4-13 acre tract cited as Tract II (C.F. No. 9307782) bears N 89°55'36" W
 4-14 a distance of 4353.61 feet (Deed Call West 1511 Varas 188 / 416
 4-15 MCDR) aforementioned tracts or parcels of land situated in the
 4-16 Henry Applewhite Survey, A-50, Conroe, Montgomery County, Texas;

4-17 THENCE N 89°55'36" W (Deed Call N.89°55'34"W. C.F. No. 9307782
 4-18 & Deed Call West 188 / 416 MCDR) departing said 35.213 acre
 4-19 Southeast corner and along the South line of same, the South line of
 4-20 aforementioned Called 120 acres and the North line of said Koenig
 4-21 15.950 acre tract for a distance of 2175.79 feet to a 1/2" iron rod
 4-22 found for the Southwest corner of said James W. Peoples, *et ux*
 4-23 35.213 acres, the Southeast corner of said James W. Peoples, *et ux*
 4-24 31.108 acre tract, same located on the Northeast corner of Koenig
 4-25 Road (60 Ft. Road Easement 599 / 427 MCDR) for a Point on the South
 4-26 line of the herein described tract;

4-27 THENCE N 89°55'36" W (Deed Call N.89°55'34"W. C.F. No. 9307782
 4-28 & Deed Call West 188 / 416 MCDR) continuing along said Koenig Road
 4-29 North line and said 31.108 acre South line for a distance of 1771.34
 4-30 feet to a 1/2" iron rod with cap scribed 'SR ESTES RPLS 5631' found
 4-31 for the Southwest corner of the herein described tract, same
 4-32 situated on the North line of a certain 3.923 acre tract conveyed in
 4-33 deed to Cecil A Koenig, recorded under C.F. No. 9720350, OPRRPMCT;

4-34 THENCE N 00°07'33" E departing said Koenig Road and the South
 4-35 line of the 31.108 acre tract, severing same parcel for a distance
 4-36 of 614.95 feet to a 1/2" iron rod with cap scribed 'SR ESTES RPLS
 4-37 5631' found for the Northwest corner of the herein described tract
 4-38 on the South line of a certain 32.524 acre tract cited Tract IV
 4-39 conveyed by Partition Deed to Surcy L. Peoples, Jr., *et ux*
 4-40 described and recorded under C.F. No. 9307782, OPRRPMCT;

4-41 THENCE S 89°55'29" E (Deed Call S.89°55'34"E. C.F. No. 9307782
 4-42 OPRRPMCT) along the South line of aforementioned Peoples 32.524
 4-43 acre Tract IV for a distance of 1770.18 feet to a 1/2" iron rod found
 4-44 for the Southwest corner of a certain 33.006 acre parcel cited as
 4-45 Tract V and described in same Partition Deed to Surcy L. Peoples,
 4-46 Jr., *et ux* as recorded under C.F. No. 9307782, OPRRPMCT and the
 4-47 Northwest corner of said 35.213 acre tract, for an inside corner on
 4-48 the North line of the herein described tract;

4-49 THENCE S 89°55'29" E (Deed Call S.89°55'34"W.
 4-50 C.F. No. 9307782) along the South line of aforesaid Peoples 33.006
 4-51 acre Tract V for a distance of 891.58 feet to a 1/2" iron rod found
 4-52 for an inside ell corner of said 35.213 acre tract, for an inside
 4-53 ell corner of the herein described tract;

4-54 THENCE N 00°00'07" E (Deed Call North, 152.73'
 4-55 C.F. No. 9307782) along a common inside line of aforementioned
 4-56 35.213 acre and 33.006 acre parcels for a distance of 152.75 feet to
 4-57 a 1/2" iron rod found for the upper Northwest corner of the herein
 4-58 described tract;

4-59 THENCE S 89°55'34" E (Deed Call S.89°55'34"E., 1282.26'
 4-60 C.F. No. 9307782) along a South line of aforesaid Tract V and the
 4-61 North line of said 35.213 acre tract for a distance of 1283.39 feet
 4-62 to a 1/2" iron rod found for the Northeast corner of the herein
 4-63 described tract, same sited on the West boundary line of
 4-64 aforementioned John D. Hagerman *et al* 56.9509 acre tract recorded
 4-65 under C.F. No. 2002-051022, OPRRPMCT and from whence a 1/2" iron
 4-66 rod found for the Northeast corner of said 120 acres, the Northeast
 4-67 corner of aforesaid Tract V and the recognized Northeast corner of
 4-68 the Applewhite Survey, A-50 bears N 00°02'47" W a distance of 594.05
 4-69 feet (Deed Call N 00°05'33" W, 594.33' C.F. No. 9307782);

5-1 THENCE S 00°02'47" E (Deed Call South, 188 / 416 MCDR) along
 5-2 the common East line of aforesaid 35.213 acres and the Residue of
 5-3 said 56.9509 acre tract for a distance of 767.59 feet to the
 5-4 Southeast corner and POINT OF BEGINNING of the herein described
 5-5 tract, in all containing 60.2044 acres (2,622,504 square feet) of
 5-6 land, more or less.

5-7 TRACT 2

5-8 Being all that certain tract or parcel of land containing
 5-9 9.0719 acres of land situated in the Henry Applewhite Survey, A-50,
 5-10 Conroe, Montgomery County, Texas, out of and a part of a Called 120
 5-11 acre tract described in Volume 188, Page 416, MCDR, said 9.0719
 5-12 acres being more particularly described by metes and bounds as
 5-13 follows, to wit:

5-14 BEGINNING at a 1/2" iron rod found under asphalt pavement for
 5-15 the Southwest corner of a certain 31.108 acres of land cited Tract
 5-16 II, conveyed by Partition Deed to James W. Peoples, et ux described
 5-17 and recorded under Clerk's File No. 9307782 of the Official Public
 5-18 Records of Real Property of Montgomery County, Texas (OPRRPMCT),
 5-19 same 31.108 acres out of and a part of a Called 120 acre tract
 5-20 conveyed in deed to Surcy Peoples, et al described and recorded in
 5-21 Volume 188, Page 416 of Montgomery County Deed Records (MCDR) said
 5-22 120 acre South line located on the recognized Abstract division
 5-23 line between the Henry Applewhite Survey, A-50 and the Daniel
 5-24 F. Whillden Survey, A-640, same located within the used and
 5-25 occupied right-of-way of Peoples Road and from whence an axle found
 5-26 for the Southeast corner of said Called 120 acres, the recognized
 5-27 Southeast corner of the Applewhite Survey bears S 89°55'36" E a
 5-28 distance of 4353.61 feet (Deed Call East 1511 Varas 188 / 416 MCDR)
 5-29 aforementioned tracts or parcels of land situated in the Henry
 5-30 Applewhite Survey, A-50, Conroe, Montgomery County, Texas;

5-31 THENCE N 00°09'09" E (Deed Call North 188 / 416 MCDR) along the
 5-32 West line of said 31.108 acre tract, the West line of said Called
 5-33 120 acre Peoples tract and at a distance of 666.91 feet passing a PK
 5-34 nail in asphalt pavement for the Southwest corner of a certain
 5-35 0.8665 of one acre parcel described in deed to James W. Peoples
 5-36 recorded under C.F. No. 9137919, OPRRPMCT and from whence a Texas
 5-37 Forest Service brass spike found in asphalt pavement bears N
 5-38 00°08'55" W a distance of 1.58 feet, continuing for a total distance
 5-39 of 1084.14 feet to a PK nail found in asphalt pavement for the
 5-40 Northwest corner of the herein described tract, same being the
 5-41 Northwest corner of a certain 2.09 acre tract described in deed to
 5-42 James W. Peoples and recorded in Vol. 786, Pg. 47, MCDR and the
 5-43 Southwest corner of a 2.09 acre tract described in deed to Surcy
 5-44 L. Peoples, Jr. recorded in Vol. 806, Pg. 248 and from whence a 60D
 5-45 nail found for the Northwest corner of same parcel bears N 00°09'09"
 5-46 E a distance of 295.27 feet;

5-47 THENCE S 89°56'29" E (Deed Call S.89°56'47"E., 309.55' 786 / 47
 5-48 MCDR) departing said Called 120 acre West line, along the North line
 5-49 of said James W. Peoples 2.09 acre tract, the South line of said
 5-50 Surcy L. Peoples, Jr. 2.09 acre parcel for a distance of 309.54 feet
 5-51 to a 1-1/4" iron pipe found in the West line of a certain 32.524 acre
 5-52 tract cited Tract IV conveyed by Partition Deed to Surcy
 5-53 L. Peoples, Jr., et ux described and recorded under
 5-54 C.F. No. 9307782, OPRRPMCT, for the upper Northeast corner of the
 5-55 herein described tract;

5-56 THENCE S 00°07'32" W (Deed Call S.00°07'10"W. C.F.
 5-57 No. 9307782) along the West line of said Peoples 32.524 acre parcel
 5-58 for a distance of 469.27 feet to a 1/2" iron rod found for the
 5-59 Southwest corner of same tract and an inside ell corner of
 5-60 aforementioned James W. Peoples, et ux 31.108 acres, for an ell
 5-61 corner of the herein described tract;

5-62 THENCE S 89°55'29" E (Deed Call S.89°55'34"W. C.F.
 5-63 No. 9307782) along the South line of said Peoples 32.524 acre
 5-64 parcel, the North line of said James W. Peoples, et ux 31.108 acres
 5-65 for a distance of 96.43 feet to a 1/2" iron rod with cap scribed 'SR
 5-66 ESTES RPLS 5631' found for the lower Northeast corner of the herein
 5-67 described tract and from whence a 1/2" iron rod found for the
 5-68 Northeast corner of said 31.108 acre parcel bears S 89°55'29" E a
 5-69 distance of 1770.18 feet;

6-1 THENCE S 00°07'33" W departing said 31.108 acre tract North
6-2 line and severing same parcel for a distance of 614.95 feet to a
6-3 1/2" iron rod with cap scribed 'SR ESTES RPLS 5631' found for the
6-4 Southeast corner of the herein described tract, same situated on
6-5 the North line of a certain 3.923 acre tract conveyed in deed to
6-6 Cecil A Koenig, recorded under C.F. No. 9720350, OPRRPMCT and
6-7 located on the North line of Koenig Road (60 Ft. Road Easement 599 /
6-8 427 MCDR);

6-9 THENCE N 89°55'36" W along the North line of said Koenig Road
6-10 for a distance of 406.48 feet to the Southwest corner and POINT OF
6-11 BEGINNING of the herein described tract, in all containing 9.0719
6-12 acres (395,173 square feet) of land, more or less.

6-13 TRACT 3

6-14 Being all that certain tract or parcel of land containing
6-15 32.9958 acres of land situated in the Henry Applewhite Survey,
6-16 A-50, Conroe, Montgomery County, Texas, out of and a part of a
6-17 Called 120 acre tract described in Volume 188, Page 416, MCDR, said
6-18 32.9958 acres being more particularly described by metes and bounds
6-19 as follows, to wit:

6-20 COMMENCING at an Axle found for the Southeast corner of a
6-21 certain 35.213 acres of land cited Tract III conveyed by partition
6-22 deed to James W. Peoples, et ux described and recorded under
6-23 Clerk's File No. 9307782 of the Official Public Records of Real
6-24 Property of Montgomery County, Texas (OPRRPMCT), same 35.213 acres
6-25 out of and a part of a Called 120 acre tract conveyed in deed to
6-26 Surcy Peoples, et al described and recorded in Volume 188, Page 416
6-27 of Montgomery County Deed Records (MCDR) said 120 acre South line
6-28 located on the recognized Abstract division line between the Henry
6-29 Applewhite Survey, A-50 and the Daniel F. Whillden Survey, A-640,
6-30 same Axle recognized by local surveyors as the Southeast corner of
6-31 the Applewhite Survey and the Northeast corner of said Whillden
6-32 Survey and the Northeast corner of a certain 15.950 acre parcel
6-33 conveyed to Marcus Koenig et al described and recorded under
6-34 C.F. No. 2001-096958, OPRRPMCT, the Northwest corner of The
6-35 Woodlands Windsor Lakes Section 5, subdivision map or plat thereof
6-36 recorded in Cabinet 'U', Sheet 19 of Montgomery County Map Records
6-37 (MCMR), the Southwest corner of the Residue of a 56.9509 acre parcel
6-38 described in deed to John D. Hagerman et al recorded under
6-39 C.F. No. 2002-051022 and from whence a 1/2" iron rod found under
6-40 asphalt pavement along Peoples Road, for the Southwest corner of
6-41 said Called 120 acres and the Southwest corner of a certain 31.108
6-42 acre tract cited as Tract II (C.F. No. 9307782) bears N 89°55'36" W
6-43 a distance of 4,353.61 feet (Deed Call West 1511 Varas 188 / 416
6-44 MCDR) aforementioned tracts or parcels of land situated in the
6-45 Henry Applewhite Survey, A-50, Conroe, Montgomery County, Texas;

6-46 THENCE N 00°02'47" W (Deed Call North 188 / 416 MCDR)
6-47 departing said 35.213 acre Southeast corner and along the East line
6-48 of same, the East line of aforementioned Called 120 acres same being
6-49 the West boundary line of aforementioned John D. Hagerman, et al
6-50 parcel for a distance of 767.59 feet to a 1/2" iron rod found for the
6-51 Southeast corner of a certain Called 33.006 acre tract cited as
6-52 Tract V conveyed in a deed to Surcy L. Peoples, Jr., et ux recorded
6-53 under C.F. No. 9307782, OPRRPMCT same monument being the Southeast
6-54 corner and POINT OF BEGINNING of the herein described tract;

6-55 THENCE N 89°55'34" W (Deed Call N.89°55'34"W., 1282.26'
6-56 C.F. No. 9307782 & Deed Call West 188 / 416 MCDR) along the South
6-57 line of aforesaid Peoples Called 33.006 acre parcel, the occupied
6-58 North line of said Peoples 35.213 acre tract for a distance of
6-59 1,283.39 feet to a 1/2" iron rod found for an inside ell corner of
6-60 the herein described tract;

6-61 THENCE S 00°00'07" W (Deed Call South, 152.73'
6-62 C.F. No. 9307782 OPRRPMCT) along an inside boundary line of
6-63 aforementioned Peoples Called 33.006 acre parcel, an inside line of
6-64 the said Peoples 35.213 acre tract for a distance of 152.75 feet to
6-65 a 1/2" iron rod found for an inside ell corner of the herein
6-66 described tract;

6-67 THENCE N 89°55'29" W (Deed Call N.89°55'34"W., 891.90'
6-68 C.F. No. 9307782 OPRRPMCT) continuing along an inside boundary
6-69 line of said Tract V, an inside line of aforesaid Peoples 35.213

7-1 acre parcel for a distance of 891.58 feet to a 1/2" iron rod found
 7-2 for the Southeast corner of a certain Called 32.524 acre tract
 7-3 conveyed in a deed to Surcy L. Peoples, Jr., et ux cited as Tract IV
 7-4 recorded under the same C.F. No. 9307782, OPRRPMCT for the
 7-5 Southwest corner of the herein described tract;

7-6 THENCE N 00°01'04" E (Deed Call N.00°05'33"W., 755.70'
 7-7 C.F. No. 9307782 OPRRPMCT) along the East line of aforesaid Tract
 7-8 IV and the West boundary line of said Tract V, for a distance of
 7-9 755.34 feet to the South occupied margin of an unimproved road cited
 7-10 as Johnson-Martin Road (no right-of-way width or dedication found
 7-11 of record) an angle iron fence post corner found for the occupied
 7-12 Northwest corner of the herein described tract same being an inside
 7-13 Southerly boundary line of a portion of the Jones State Forest, a
 7-14 216.10 acre parcel cited as the First Tract, conveyed in a deed to
 7-15 the State of Texas / Texas A&M University as recorded in Volume 118,
 7-16 Page 375 MCDR and from whence a 1/2" iron rod found bears N 00°01'04"
 7-17 E a distance of 0.19 feet;

7-18 THENCE S 89°42'01" E (Deed Call S.89°55'34"E.
 7-19 C.F. No. 9307782 OPRRPMCT Deed Call N.87°14'53"E. 118 / 375 MCDR)
 7-20 along a South boundary line of aforesaid 216.10 acre First Tract
 7-21 for a distance of 2,174.29 feet to a 1/2" iron rod found for the
 7-22 Northeast corner of the herein described tract same sited on the
 7-23 South right-of-way line of Schoettle Road (35 Ft. R.O.W.) as
 7-24 recorded in Cabinet Y, Sheet 56 of Montgomery County Map Records
 7-25 (MCMR) same point being the Northwest corner of a certain 3.9944
 7-26 acre tract conveyed in a deed to Kenneth Earl Guinn and Evelyn
 7-27 Eugenia Martin recorded under C.F. No. 2002-051022, OPRRPMCT;

7-28 THENCE S 00°02'46" E (Deed Call S 00°05'33" E, 594.33'
 7-29 C.F. No. 9307782 Deed Call S 00°07'12" E, C.F. No. 2002-051022
 7-30 OPRRPMCT Deed Call South, 188 / 416 MCDR) along the common East
 7-31 line of aforesaid Surcy Peoples, Jr., et ux Tract V and the West
 7-32 boundary of aforesaid 3.9944 acre tract for a distance of 594.05
 7-33 feet to the Southeast corner and POINT OF BEGINNING of the herein
 7-34 described tract, in all containing 32.9958 acres (1,437,299 square
 7-35 feet) of land, more or less.

7-36 TRACT 4

7-37 Being all that certain tract or parcel of land containing
 7-38 54.2960 acres of land situated in the Thomas Toby Survey, A-576,
 7-39 (Edward Hall Survey, A-576), Conroe, Montgomery County, Texas and
 7-40 being the Residue of a certain 56.9509 acre tract conveyed in
 7-41 Warranty Deed from Kenneth Earl Guinn and Evelyn Eugenia Martin to
 7-42 John D. Hagerman and wife, Linda L. Hagerman and Ronald R. Byrd and
 7-43 wife, Martha Byrd, described and recorded under Clerk's File
 7-44 No. 2002-051022 of the Official Public Records of Real Property of
 7-45 Montgomery County, Texas (OPRRPMCT) and being the same parent tract
 7-46 of land resurveyed as 56.9659 acres of land by Steven Ray Estes,
 7-47 RPLS No. 5631 on August 22, 2006 and being that same parcel or tract
 7-48 of land called 58.4 acres conveyed to Ernest Guinn et ux by deed
 7-49 recorded in Volume 220, Page 84 of Montgomery County Deed Records
 7-50 (MCDR) and being further out of Block No. 6 of the R. H. John
 7-51 Subdivision of the 'Edward Hall Two Surveys', described and
 7-52 recorded in Vol. 14, Pg. 579, MCDR and Volume 1, Page 6 of
 7-53 Montgomery County Map Records (MCMR), aforementioned properties
 7-54 situated in the Thomas Toby Survey, A-576, (Edward Hall Survey,
 7-55 A-576) said 54.2960 acres being more particularly described by
 7-56 metes and bounds as follows:

7-57 BEGINNING at a 1/2" iron rod with cap found for the southeast
 7-58 corner of a certain 1.2925 acre parcel of land conveyed to the City
 7-59 of Conroe from John D. Hagerman and wife, Linda L. Hagerman, and
 7-60 Martha Byrd, Individually and as the Independent Administrator of
 7-61 the Estate of Ronald R. Byrd, Deceased, cited as Tract 1 Guinn Road
 7-62 Extension described and recorded under C.F. No. 2006-122795,
 7-63 OPRRPMCT, same sited on the east line of aforementioned 56.9509
 7-64 acre Hagerman et al tract, the east line of a 40 Ft. Roadway
 7-65 described in 14 / 579, MCDR and 1 / 6, MCMR and the west line of a
 7-66 certain 17.308 acre parcel conveyed to Western Rim Investors
 7-67 2002-1, L.P. described and recorded under C.F. No. 2002-063325,
 7-68 OPRRPMCT and from whence a 1/2" iron rod found for the northeast
 7-69 corner of said Hagerman et al 56.9509 acres bears N 00°32'59" W a

8-1 distance of 35.00 feet, and located 4.26 feet Southeast from the
8-2 occupied north line of Guinn Road (No Dedicated R.O.W. Found of
8-3 Record), for the northeast corner of the herein described tract;
8-4 THENCE S 00°32'59" E (Deed Call S.00°33'10"E.
8-5 C.F. No. 2002-051022 OPRRPMCT) along the east line of
8-6 aforementioned Hagerman *et al* 56.9659 acre tract and west line of
8-7 said Western Rim Investors 2002-1, L.P. parcel and east line of the
8-8 40 Ft. Roadway for a distance of 1311.74 feet to a 5/8" iron rod
8-9 found for the southeast corner of the 56.9659 acres and sited on the
8-10 north line of a certain Residue of 3888.76 acres conveyed to
8-11 Woodlands Land Development, L.P. described under C.F. No. 9747722,
8-12 OPRRPMCT and situated on the Abstract division line of the Thomas
8-13 Toby Survey, A-576 and the James McCambridge Survey, A-390, for the
8-14 southeast corner of the herein described tract;
8-15 THENCE S 89°42'01" W (Deed Call S.89°41'03"W., 1965.38'
8-16 C.F. No. 2002-051022) along the south line of aforementioned
8-17 Hagerman *et al* 56.9659 acre tract and the south line of the Thomas
8-18 Toby Survey, A-576 for a distance of 1965.35 feet to an axle found
8-19 for the northwest corner of The Woodlands Windsor Lakes Section 5,
8-20 map or plat thereof recorded in Cabinet 'U', Sheet 19 of Montgomery
8-21 County Map Records (MCMR), the northeast corner of a certain 15.950
8-22 acre tract conveyed in deed to Cecil A. Koenig described and
8-23 recorded in 599 / 407, MCDR, the southeast corner of the James
8-24 W. Peoples 35.213 acre tract described under C.F. No. 9307782,
8-25 OPRRPMCT, the common southwest corner of aforementioned Hagerman *et*
8-26 *al* 56.9659 acres and the herein described tract, said axle
8-27 recognized by cartographers and accepted by local surveyors as the
8-28 Four Corners of the James McCambridge Survey, A-390, the Daniel
8-29 F. Whildon Survey, A-640, the Henry Applewhite Survey, A-50 and the
8-30 Thomas Toby Survey, A-576;
8-31 THENCE N 00°10'28" W (Deed Call N.00°11'26"E., 861.45'
8-32 C.F. No. 2002-051022) departing said Four Corners axle and along
8-33 the east line of said Peoples 35.213 acre tract and west line of
8-34 said Hagerman 56.9659 acres for a distance of 861.64 feet to a 60D
8-35 nail found for the lower northwest corner of the herein described
8-36 tract of land, same being the southwest corner of a 3.9944 acre
8-37 Out-Tract parcel described by metes and bounds to Kenneth Earl
8-38 Guinn and Evelyn Eugenia Martin (herein cited as the Guinn-Martin
8-39 tract) under aforementioned C.F. No. 2002-051022, same 60D nail
8-40 sited on the east line of a certain 33.006 acre tract conveyed in
8-41 deed to Surcy L. Peoples described under C.F. No. 9307782,
8-42 OPRRPMCT;
8-43 THENCE S 89°51'47" E (Deed Call S.89°51'47"E., 348.00'
8-44 C.F. No. 2002-051022) along an inside line of said Hagerman 56.9659
8-45 acre parcel and south line of said Guinn-Martin tract for a distance
8-46 of 348.00 feet to a 1/2" iron rod found for the southeast corner of
8-47 same 3.9944 acre tract and an inside corner of the herein described
8-48 tract;
8-49 THENCE N 00°10'28" W (Deed Call N.00°11'26"E.
8-50 C.F. No. 2002-051022) along the east line of aforementioned
8-51 Guinn-Martin tract and upper west line of said 56.9659 acre parcel
8-52 and at a distance of 82.16 feet crossing the south line of a Called
8-53 4.00 acre tract described in 960 / 554, MCDR to Evelyn Eugenia
8-54 Martin and husband, Eugene L. Martin continuing for a total
8-55 distance of 165.00 feet to a 5/8" iron rod with cap found for the
8-56 southwest corner of a certain 1.3774 acre tract cited as Tract 2
8-57 (Water Well Site) conveyed to the City of Conroe described under
8-58 C.F. No. 2006-122795, OPRRPMCT, for an inside corner of the herein
8-59 described tract;
8-60 THENCE S 89°51'47" E (Deed Call S.89°51'47"E., 200.00'
8-61 C.F. No. 2006-122795) departing aforementioned 3.9944 acre east
8-62 line and upper west line of the Hagerman *et al* 56.9659 acre parcel
8-63 and along the south line of the City of Conroe 1.3774 acres for a
8-64 distance of 200.00 feet to a 5/8" iron rod with cap found for the
8-65 southeast corner of same 1.3774 acres, for an inside corner of the
8-66 herein described tract;
8-67 THENCE N 00°10'28" W (Deed Call N.00°11'26"W., 300.00'
8-68 C.F. No. 2006-122795) along the east line of aforementioned City of
8-69 Conroe 1.3774 acre tract for a distance of 300.00 feet to a 5/8"

9-1 iron rod with cap found for the northeast corner of same 1.3774
9-2 acres and sited on the south line of aforementioned City of Conroe
9-3 1.2925 acre Tract 1 (Guinn Road Extension) for the upper northwest
9-4 corner of the herein described tract;

9-5 THENCE S 89°51'47" E (Deed Call S.89°51'47"E.
9-6 C.F. No. 2006-122795) along the south line of said City of Conroe
9-7 1.2925 acre Tract 1 for a distance of 1408.79 feet to the northeast
9-8 corner and POINT OF BEGINNING of the herein described tract, in all
9-9 containing 54.2960 acres (2,365,136 square feet) of land, more or
9-10 less.

9-11 SECTION 3. (a) The legal notice of the intention to
9-12 introduce this Act, setting forth the general substance of this
9-13 Act, has been published as provided by law, and the notice and a
9-14 copy of this Act have been furnished to all persons, agencies,
9-15 officials, or entities to which they are required to be furnished
9-16 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
9-17 Government Code.

9-18 (b) The governor, one of the required recipients, has
9-19 submitted the notice and Act to the Texas Commission on
9-20 Environmental Quality.

9-21 (c) The Texas Commission on Environmental Quality has filed
9-22 its recommendations relating to this Act with the governor, the
9-23 lieutenant governor, and the speaker of the house of
9-24 representatives within the required time.

9-25 (d) All requirements of the constitution and laws of this
9-26 state and the rules and procedures of the legislature with respect
9-27 to the notice, introduction, and passage of this Act are fulfilled
9-28 and accomplished.

9-29 SECTION 4. (a) If this Act does not receive a two-thirds
9-30 vote of all the members elected to each house, Subchapter C, Chapter
9-31 8422, Special District Local Laws Code, as added by Section 1 of
9-32 this Act, is amended by adding Section 8422.106 to read as follows:

9-33 Sec. 8422.106. NO EMINENT DOMAIN POWER. The district may
9-34 not exercise the power of eminent domain.

9-35 (b) This section is not intended to be an expression of a
9-36 legislative interpretation of the requirements of Subsection (c),
9-37 Section 17, Article I, Texas Constitution.

9-38 SECTION 5. This Act takes effect immediately if it receives
9-39 a vote of two-thirds of all the members elected to each house, as
9-40 provided by Section 39, Article III, Texas Constitution. If this
9-41 Act does not receive the vote necessary for immediate effect, this
9-42 Act takes effect September 1, 2013.

9-43 * * * * *